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NEVER STOP UNTIL YOU REACH YOUR DESTINATION – LESSONS FROM BOLLYWOOD & THE INDIAN EQUITY MARKET

The journey to success is never smooth—whether in **Bollywood, business, or the stock market**. Everyone faces setbacks, failures, and roadblocks. But those who **stay the course, push through the difficulties, and never give up** ultimately emerge victorious.

Many Bollywood legends **struggled for years** before reaching stardom. Similarly, the **Indian equity market faces corrections and crashes**, but long-term investors who stay invested **reap massive rewards**.

Bollywood Icons Who Never Gave Up

1. Amitabh Bachchan – Rejected, Bankrupt, but Came Back Stronger

Amitabh Bachchan, now the **Shahenshah of Bollywood**, was once **rejected by All India Radio for his voice** and faced **multiple flops at the start of his career**.

Even after achieving stardom, he went bankrupt in the early 2000s. But instead of quitting, he reinvented himself through **Kaun Banega Crorepati (KBC)** and blockbuster movies, proving that **persistence pays off**.

- **Lesson for Investors:** The Indian stock market also faces rejections and setbacks—be it the 2008 crash, COVID crash, or periodic corrections. But just like Bachchan's comeback, the market **always bounces back stronger**.

2. Shah Rukh Khan – From Nothing to the King of Bollywood

Shah Rukh Khan came to Mumbai with **no Bollywood connections and just ₹1,500 in his pocket**. He faced multiple rejections but **never stopped**.

His dedication turned him into the **Baadshah of Bollywood**, proving that **staying consistent despite failures leads to success**.

- **Lesson for Investors:** Stopping your SIP during market corrections is like quitting too soon. If you keep investing even in tough times, you will see massive growth over the long term.

3. Nawazuddin Siddiqui – 12 Years of Struggle Before Success

Nawazuddin Siddiqui spent **over a decade playing small, unnoticed roles**. He was **almost invisible in Bollywood** until he finally got a breakthrough.

He believed in **his craft, worked tirelessly, and waited for the right opportunity**. Today, he is one of the **most respected actors in Indian cinema**.

- **Lesson for Investors:** The stock market rewards **long-term patience**. If you stop investing after a few downturns, you **miss the breakthrough moment when markets rise and create wealth**.

Stock Market Corrections – Just Like Bollywood Struggles

In Bollywood, every actor faces rejections, flops, and financial struggles. Similarly, the **Indian stock market also goes through rough patches**:

- **2008 Global Financial Crisis** – Sensex fell from **21,000 to 8,000** but later surged beyond **60,000+**.
- **2020 COVID Crash** – Nifty fell **40% in two months**, but recovered within a year and hit new all-time highs.
- **2022-23 Corrections** – The market fell **10-15% multiple times**, yet those who stayed invested made huge profits.

Just like **Bollywood superstars never quit, successful investors don't panic during market dips**.

Why You Should NEVER Stop Your SIPs During Market Corrections

Many investors **stop SIPs when the market falls, fearing losses**. But this is the **worst mistake!**

Example: Why Investing in Corrections Works

Imagine investing **₹10,000 monthly** in a mutual fund:

Month	Mutual Fund NAV	SIP Investment	Units Purchased
Jan 2024	₹500	₹10,000	20
Feb 2024	₹480	₹10,000	20.83
Mar 2024 (Market Down 12%)	₹440	₹10,000	22.72
Apr 2024	₹460	₹10,000	21.74
May 2024	₹490	₹10,000	20.41
Total Investment	-	₹50,000	105.7 Units

What Happens If You Stop SIPs During a Correction?

- If you stopped SIPs in **March 2024**, you would have missed buying at **₹440**, meaning **fewer units at lower prices**.
- When the NAV recovers to **₹600**, your portfolio would be worth **₹63,420** instead of **₹68,400**—just because you skipped investing during the correction!
- **Stopping SIPs = Missing the best buying opportunity!**
- **Lesson from Bollywood:** If Amitabh Bachchan, SRK, or Nawazuddin Siddiqui had quit after a few failures, **they would have never become legends**. Similarly, if you **stop investing in the stock market due to a temporary correction, you miss the wealth-creation journey**.

Final Thought – Keep Investing, Keep Growing

- **Bollywood stars never stopped chasing success despite struggles.**
- **The Indian stock market always recovers after every crash.**
- **SIPs help you buy at lower prices and generate wealth over time.**
- **Stopping SIPs in a downturn is like quitting a movie before it becomes a blockbuster.**

The road to success is long, but those who **never stop, win**.

So no matter what happens, NEVER stop your SIPs—because your financial blockbuster is waiting at the finish line!

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NEW FIXED DEPOSIT (FD) RULES FROM MARCH 2025: WHAT YOU NEED TO KNOW BEFORE INVESTING

February 17, 2025 by Pranay Gaur

(Bank FD New Guideline) : Fixed Deposits (FDs) have been one of the most trusted investment options for decades, providing secure and stable returns. However, from March 2025, significant changes in FD rules will impact how interest rates, taxation, and premature withdrawals work. If you are planning to invest in an FD, it's essential to understand these new guidelines to make an informed decision.

Changes in FD Interest Rate Calculation

One of the most important updates in the March 2025 FD rules is the way interest rates are calculated. The new formula aims to bring transparency and fairness for both banks and depositors.

Key Changes:

- **Dynamic Interest Rate Adjustments:** Banks will now adjust FD rates quarterly based on market conditions.
- **Uniform Calculation Across Banks:** The Reserve Bank of India (RBI) has introduced a standardized interest calculation method.
- **Reduction in Senior Citizen Premium:** The extra interest benefit for senior citizens has been reduced by 0.25% in many banks.
- **Penalty on Irregular Deposits:** If an investor delays FD renewal, they may receive a lower interest rate than originally promised.

Comparison of Old vs. New FD Interest Calculation

This means investors should carefully monitor interest rates and choose an FD tenure that offers the best return.

Feature	Old Rules	New Rules (March 2025)
Interest Rate Adjustment	Annually	Quarterly
Senior Citizen Extra Rate	0.50%–0.75%	0.25%–0.50%
Premature Withdrawal Penalty	0.5% Deduction	1% Deduction
Minimum Deposit Period	7 Days	15 Days

New Taxation Rules on FD Interest Earnings

From March 2025, new taxation norms will apply to FD earnings, affecting the net returns of depositors.

Taxation Updates:

- **Higher TDS on Large Deposits:** If total interest earned exceeds ₹50,000 (for senior citizens) and ₹40,000 (for others), TDS (Tax Deducted at Source) will be increased from 10% to 15%.
- **Mandatory PAN Linking:** FD holders without a linked PAN card will have 30% TDS deducted instead of the normal rate.
- **Tax Benefits on Renewal Removed:** Earlier, renewed FDs received some exemptions, but under the new rules, they will be fully taxable in the year of renewal.
- **Declaration of Multiple FDs:** Banks will now combine interest earnings across all FDs held in different branches to calculate tax liability.



TDS Comparison for Different FD Interest Earnings

Total Interest Earned	Old TDS Rate	New TDS Rate (March 2025)
Up to ₹40,000	0%	0%
40,001 – 50,000	10%	15%
50,001 – 1,00,000	10%	15%
Above 1,00,000	10%	20%

If you are planning a high-value FD investment, consult a tax advisor to optimize your returns.

Revised Premature Withdrawal and Penalty Rules

One major shift in FD guidelines is the stricter premature withdrawal policy. Investors who break their FDs before maturity will now face higher penalties.

New Premature Withdrawal Policy:

- **Penalty Rate Increased:** Earlier, banks charged 0.5% – 1% as a penalty, but from March 2025, it will be 1% – 2% depending on the tenure.
- **Partial Withdrawals Limited:** Previously, banks allowed partial withdrawals from FDs. Now, only a few banks will provide this feature, and the amount limit will be reduced.
- **Lock-in Period Introduced:** FDs with special high-interest rates will now have a mandatory lock-in period of 1-2 years, where premature withdrawal is not allowed.

Premature Withdrawal Rules by Tenure

FD Tenure	Old Penalty	New Penalty (March 2025)
1 Year	0.5%	1%
2 Years	0.75%	1.5%
3+ Years	1%	2%

These changes encourage long-term investments and discourage frequent withdrawals.

New FD Auto-Renewal and Maturity Policy

Another important update is the auto-renewal policy and maturity handling of FDs.

Key Changes:

- **Mandatory Consent for Auto-Renewal:** Earlier, banks auto-renewed FDs unless customers requested otherwise. Now, investors must opt-in for auto-renewal.
- **Unclaimed FDs to be Transferred to Senior Citizen Welfare Fund:** If an FD remains

unclaimed for more than 10 years, the amount will be transferred to the Senior Citizen Welfare Fund.

- **FD Closure Process Made Easier:** Banks must provide a digital closure option, allowing customers to close or renew FDs via net banking.

Changes in FD Auto-Renewal and Maturity Rules

Feature	Old Rules	New Rules (March 2025)
Auto-Renewal	Automatic	Requires Customer Consent
Unclaimed FD Handling	Kept with Bank	Transferred to Govt. Fund
Digital Closure	Not Mandatory	Mandatory for All Banks

These changes ensure better transparency and security for FD investors.

Impact of These Changes on FD Investors

With these new FD rules, investors need to re-evaluate their investment strategies. Here's what to keep in mind:

How Should You Adjust Your FD Strategy?

- **Monitor Interest Rate Trends:** Since interest rates will change quarterly, avoid locking FDs for too long if rates are expected to rise.
- **Consider Tax-Effective Investments:** If you fall into the high-tax bracket, explore tax-saving 5-year FDs or alternatives like debt mutual funds.
- **Plan for Liquidity Needs:** Since premature withdrawal penalties have increased, keep some funds in short-term FDs for emergencies.
- **Update Nominee and Renewal Preferences:** With auto-renewal changes, ensure your nominee details and renewal preferences are updated.

The March 2025 FD rule changes aim to improve transparency, but they also introduce stricter taxation, higher penalties, and a new interest rate structure. Whether you are a senior citizen, salaried employee, or business owner, these changes will impact your FD investment strategy.

To make the most of these new FD rules, stay updated with bank notifications, interest rate changes, and tax deductions. If you are unsure about how these rules affect your investments, consult a financial expert before making large FD deposits.

By staying informed, you can maximize your returns and avoid unnecessary financial setbacks in this new FD era.

Source : <https://www.ulbjammu.org>

THE POWER OF BULK INVESTMENT DURING A MARKET CORRECTION & THE RULE OF 72

After understanding the benefits of **asset allocation and systematic investing**, Arjun was now curious about another powerful strategy that Kabir mentioned: **bulk investing during market corrections**.

“Kabir, you always talk about buying aggressively when the market corrects. But how do you know when to invest a lump sum instead of sticking to SIPs?” Arjun asked.

Kabir leaned back in his chair and smiled.

“This is where understanding market cycles and the ‘12% Correction Rule’ helps. Let me explain why investing during a 12% market dip in mutual funds can supercharge your returns.”



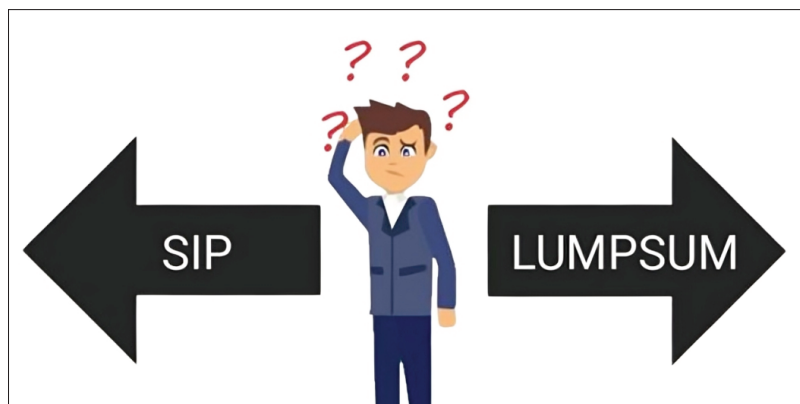
Lesson 1: Why a 12% Market Correction is a Golden Buying Opportunity

Stock markets never move in a straight line. They go through **cycles of growth and corrections**. While minor 3-5% dips are common, a **10-15% correction** is where serious money is made.

Historically, in the **Indian equity market (Sensex/Nifty 50)**:

- A **10-12% correction** happens almost every year due to various reasons (inflation, global uncertainty, RBI policy, etc.).
- A **15-20% correction** happens once every 3-4 years.
- A **30-50% crash** happens once a decade (e.g., 2008, 2020).

During these corrections, the **Net Asset Value (NAV) of equity mutual funds** also drops significantly, creating an excellent opportunity for bulk investments.



Lesson 2: Bulk Investing in Mutual Funds vs. SIP – When to Go Aggressive?

SIPs are great for **consistent investing and rupee-cost averaging**, but they **don’t take advantage of deep corrections**.

Here’s how Kabir invests based on mutual fund NAV movements:

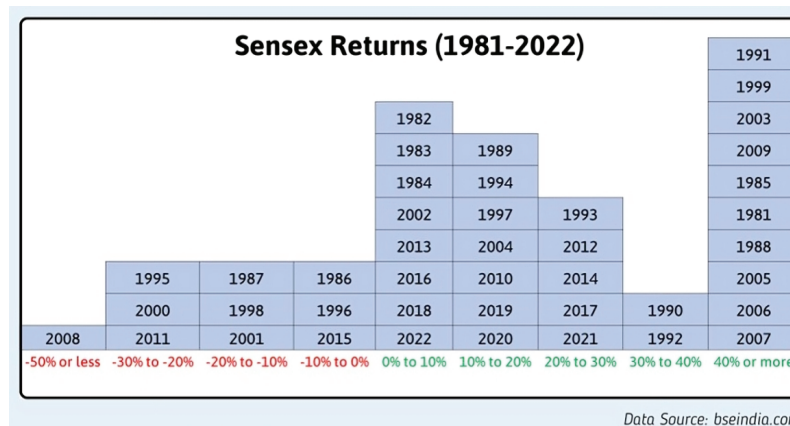
Market Rising (No Correction) → Stick to SIPs.

Market Down 5-7% → Continue SIPs but stay alert.

Market Down 10-12% → Invest **30-50% of available funds** in bulk.

Market Down 15-20% → Deploy **75-100% of surplus funds** aggressively.

“This strategy helps lower my average cost per unit while making sure I don’t miss out on recovery rallies,” Kabir explained.



Lesson 3: How Bulk Investing Improves NAV Averaging & Returns

Arjun was intrigued. “How does this improve averaging?”

Kabir pulled out a simple example to illustrate using a **popular Large-Cap Mutual Fund** (e.g., HDFC Top 100 Fund).

Case Study: Investing in a Mutual Fund During a 12% Correction

Scenario	Mutual Fund NAV	SIP Investment (₹10,000)	Bulk Investment (₹50,000)	Units Purchased
Jan 2024	₹500	₹10,000	-	20
Feb 2024	₹480	₹10,000	-	20.83
Mar 2024 (Market Down 12%)	₹440	₹10,000	₹50,000	136.36
Apr 2024	₹460	₹10,000	-	21.74
May 2024	₹490	₹10,000	-	20.41
Total Investment	-	₹50,000	₹50,000	Total Units: 219.34

Results:

- ☑ Without bulk investing, Arjun’s average cost per unit = ₹480.
- ☑ With bulk investing at the **12% correction**, the average cost per unit = **₹455 (5.2% lower)**.

Now, when the market recovers and the NAV rises to ₹600:

Without bulk investment, portfolio value = ₹1,09,678 (19.35% gain).

With bulk investment, portfolio value = **₹1,31,604 (31.6% gain!)**.

By taking advantage of market corrections, Kabir generated **significantly higher returns** in a short time.

Lesson 4: The Rule of 72 – How This Strategy Doubles Your Money

“Okay, Kabir, I get that buying in corrections improves my entry price. But how do I know when my investment will double?” Arjun asked.

Kabir grinned. “Ever heard of the **Rule of 72?**”

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISK. PLEASE READ THE OFFER DOCUMENT BEFORE INVESTING.

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The Rule of 72

The **Rule of 72** is a simple formula that estimates how long an investment will take to **double in value** at a fixed rate of return.

Years to Double = $\frac{72}{\text{Annual Return (\%)}}$

Example: How Quickly Money Doubles at Different Returns

Return (%)	Years to Double	If you invest in equity mutual funds with a 12% annual return, your money doubles every 6 years.
6%	12 years	If you invest during a market correction, your returns can be higher (15-20%), meaning your money doubles in just 3-5 years.
8%	9 years	
12%	6 years	
15%	4.8 years	
20%	3.6 years	

Real-Life Example

If Arjun invested ₹5 lakhs in an equity mutual fund at a 12% return, he would see:

₹10 lakhs in 6 years

₹20 lakhs in 12 years

₹40 lakhs in 18 years

"The earlier you invest, the faster compounding works. But if you invest aggressively during corrections, you supercharge your returns," Kabir emphasized.

Lesson 5: Practical Strategy for Bulk Investment in Corrections

To maximize wealth creation, Kabir follows this approach:

- ☑ Keep 30-40% of capital in liquid assets (Debt Funds, Fixed Deposits, or Cash).
- ☑ Deploy 30-50% of available funds when mutual fund NAVs correct by 10-12%.
- ☑ Deploy 100% if NAVs fall 15-20% (Deep bear market).



- ☑ Choose broad-based equity mutual funds like Nifty 50 Index Funds, Large-cap Mutual Funds, or Balanced Advantage Funds.

By using this strategy, Kabir not only builds long-term wealth but also beats market volatility.

Final Thought: Be Fearful When Others Are Greedy, Be Greedy When Others Are Fearful

Arjun finally understood. **Volatility is an opportunity, not a threat.**

"So the next time my mutual fund NAV drops 12%, instead of panicking, I should invest aggressively?" he asked.

"Exactly," Kabir nodded. *"That's when millionaires are made."*

Key Takeaways:

- ☑ 12% Mutual Fund NAV Corrections = Buying Opportunity
- ☑ Bulk Investment Improves NAV Averaging & Lowers Cost
- ☑ Rule of 72 Helps Estimate Doubling Time
- ☑ Investing Aggressively During Corrections Creates Wealth Faster

Arjun smiled. He was now ready to ride the volatility wave and create wealth.

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